

~~S-E-C R-E-T~~

4 September 1958

SERVICES DIVISION  
MONTHLY REPORT FOR  
AUGUST 1958

1. Important Developments in the Division Program

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a. S/COM is preparing four studies for presentation at a [REDACTED] communications conference which it is anticipated will be held in [REDACTED] in October. This work will delay the completion of Projects 46.2317 and 46.2320.

b. S/TF is undertaking preliminary research which it is anticipated will lead to a project on the relationship between the CEMA specialization drive and the pattern of Czech foreign trade.

c. An exceptionally comprehensive attache' trip report recently received in S/TR gives considerable support to the ORR estimate of the capacity of the Trans-Siberian railroad and may cause ACSI to revise the estimate contained in their recent report, The Capability of the Trans-Siberian Railroad. In this event, it is anticipated that ACSI may recommend that a new estimate be prepared by the EIC Subcommittee on Transportation (with ORR participation).

d. A meeting of the COCOM Subcommittee on Export Controls has been scheduled in Paris for the first week in November. In connection with the preparation of an agenda for this meeting (to be attended by Washington enforcement officials), four diversion cases illustrating loopholes in enforcement were prepared in S/TF for the Diversion Control Panel of EDAC WG II.

e. Intelligence support was provided by S/TF on 16 exceptions cases (8 of which involved Poland) and 28 administrative action cases.

2. Problems

The Division is experiencing a serious shortage of clerical personnel.

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## Appendix I

Services Division Monthly Report for  
August 19581. Accomplishments

The following projects were submitted by the Services Division in August:

| <u>Project Number</u> | <u>Title</u>                                                                                                                                                                                                                       | <u>Analyst or Contributing Branches</u> |
|-----------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------|
| 00.2416               | Priority Gaps in Intelligence<br>China's Foreign Exchange Reserves<br>Eusats Inland Transport                                                                                                                                      | /TR                                     |
| 10.1813               | Outlook for Stability in Poland                                                                                                                                                                                                    |                                         |
| 20.1783               | Soviet Atomic Energy Program                                                                                                                                                                                                       | 25X1A9a                                 |
| 40.2116               | Support to the Business Advisory Committee<br>Bloc Activities in Selected Coffee<br>Producing Countries<br>Major Developments in Bloc Foreign Economic<br>Activities, 17 July - 25 August<br>Soviet Capabilities for Trade and Aid | S/TF                                    |
| 40.2420               | Part I of SNIE 100-8-58, "Effects of an<br>Expansion of Soviet-US Trade"                                                                                                                                                           | S/TF                                    |
| 42.2256               | OCB Studies<br>Bloc Activities in Yugoslavia<br>Bloc Trade with Hong Kong                                                                                                                                                          |                                         |
| 42.2266-<br>42.2267   | Biweekly Report of Bloc Activities in<br>Underdeveloped Countries                                                                                                                                                                  | /TF                                     |
| 47.1069               | The Soviet Construction Industry in the<br>Sixth Five Year Plan                                                                                                                                                                    |                                         |
| S-338                 | Comments on New York Times Article by<br>Harry Schwartz                                                                                                                                                                            | TF                                      |
| S-346                 | Essential Polish Import Requirements                                                                                                                                                                                               |                                         |

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| <u>Project Number</u> | <u>Title</u>                                      | <u>Analyst or Contributing Branches</u> |
|-----------------------|---------------------------------------------------|-----------------------------------------|
| S-354                 | The Indications Value of Soviet Railroad Activity | 25X1A9a<br>[REDACTED] /TR               |
| S-355                 | Support to Guided Missiles Intelligence           | [REDACTED] S/COM                        |
| S-356                 | The Sovietization of Eastern Europe               | [REDACTED] /TF                          |
| S-364                 | A Cold War Problem: Economic Penetration          | [REDACTED]                              |

In addition, 3 CSM's, a CIWR Part II, and 4 other current intelligence items were submitted to the Current Support Staff.

2. Personnel

25X1A9a [REDACTED], S/COM<sup>TR</sup>, has taken a year's leave of absence to teach at Mississippi Southern College.

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